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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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10/811,318

03/26/2004

Daniel P. Curry

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04/30/2008

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EXAMINER

CAMPEN, KELLY SCAGGS

ART UNIT

PAPER NUMBER

3691

MAIL DATE

DELIVERY MODE

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PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No. 10/811,318	Applicant(s) CURRY ET AL.	
	Examiner Kelly Campen	Art Unit 3691	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☐ Responsive to communication(s) filed on ____.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-33 is/are pending in the application.
4a) Of the above claim(s) 22-33 is/are withdrawn from consideration.
- 5) ☐ Claim(s) ____ is/are allowed.
- 6) ☒ Claim(s) 1-21 and 34-36 is/are rejected.
- 7) ☐ Claim(s) ____ is/are objected to.
- 8) ☐ Claim(s) ____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☒ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on ____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. ____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. ____. |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date <u>4/14/2004</u> . | 6) <input type="checkbox"/> Other: ____. |

DETAILED ACTION

The Restriction Requirement mailed 3/14/2008 and returned by return mail on 3/18/2008 has been withdrawn and the election has been made by telephone election on 4/22/2008 by Mark Knedeisen. The following Non Final Office Action replaces the Restriction Requirement mailed on 3/13/2008 which was never received by the Applicant.

Election/Restrictions

Restriction to one of the following inventions is required under 35 U.S.C. 121:

- I. Claims 1-21, 34-36, drawn to a fund raising method, classified in class 705, subclass 35.
- II. Claims 22-27, drawn to an underwriting method, classified in class 705, subclass 4.
- III. Claims 28-33, drawn to a combination, classified in class 705, subclass 35.

The inventions are distinct, each from the other because of the following reasons:

Inventions Group I and Group II and Group III are unrelated. Inventions are unrelated if it can be shown that they are not disclosed as capable of use together and they have different designs, modes of operation, and effects (MPEP § 802.01 and § 806.06). In the instant case, the different inventions have different designs.

Restriction for examination purposes as indicated is proper because all these inventions listed in this action are independent or distinct for the reasons given above and there would be a

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serious search and examination burden if restriction were not required because one or more of the following reasons apply:

- (a) the inventions have acquired a separate status in the art in view of their different classification;
- (b) the inventions have acquired a separate status in the art due to their recognized divergent subject matter;
- (c) the inventions require a different field of search (for example, searching different classes/subclasses or electronic resources, or employing different search queries);
- (d) the prior art applicable to one invention would not likely be applicable to another invention;
- (e) the inventions are likely to raise different non-prior art issues under 35 U.S.C. 101 and/or 35 U.S.C. 112, first paragraph.

Applicant is advised that the reply to this requirement to be complete must include (i) an election of a invention to be examined even though the requirement may be traversed (37 CFR 1.143) and (ii) identification of the claims encompassing the elected invention.

The election of an invention may be made with or without traverse. To reserve a right to petition, the election must be made with traverse. If the reply does not distinctly and specifically point out supposed errors in the restriction requirement, the election shall be treated as an election without traverse. Traversal must be presented at the time of election in order to be considered timely. Failure to timely traverse the requirement will result in the loss of right to petition under 37 CFR 1.144. If claims are added after the election, applicant must indicate which of these claims are readable on the elected invention.

If claims are added after the election, applicant must indicate which of these claims are readable upon the elected invention.

Should applicant traverse on the ground that the inventions are not patentably distinct, applicant should submit evidence or identify such evidence now of record showing the inventions to be obvious variants or clearly admit on the record that this is the case. In either instance, if the examiner finds one of the inventions unpatentable over the prior art, the evidence or admission may be used in a rejection under 35 U.S.C. 103(a) of the other invention.

During a telephone conversation with Mark Knedeisen on 4/22/2008 a provisional election was made without traverse to prosecute the invention of Group I, claims 1-21 and 34-36. Affirmation of this election must be made by applicant in replying to this Office action. Claims 22-33 are withdrawn from further consideration by the examiner, 37 CFR 1.142(b), as being drawn to a non-elected invention.

Applicant is reminded that upon the cancellation of claims to a non-elected invention, the inventorship must be amended in compliance with 37 CFR 1.48(b) if one or more of the currently named inventors is no longer an inventor of at least one claim remaining in the application. Any amendment of inventorship must be accompanied by a request under 37 CFR 1.48(b) and by the fee required under 37 CFR 1.17(i).

Specification

The abstract of the disclosure is objected to because it includes language which may be implied (see below, emphasis added). Correction is required. See MPEP § 608.01(b).

Applicant is reminded of the proper language and format for an abstract of the disclosure.

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The abstract should be in narrative form and generally limited to a single paragraph on a separate sheet within the range of 50 to 150 words. It is important that the abstract not exceed 150 words in length since the space provided for the abstract on the computer tape used by the printer is limited. The form and legal phraseology often used in patent claims, such as "means" and "said," should be avoided. The abstract should describe the disclosure sufficiently to assist readers in deciding whether there is a need for consulting the full patent text for details.

The language should be clear and concise and should not repeat information given in the title. It should avoid using phrases which can be implied, such as, "The disclosure concerns," "The disclosure defined by this invention," "The disclosure describes," etc.

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-21 and 34-36 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. The steps appear like they could all be mental steps (see *In re. Comiskey* 84 USPQ2d 1670.)"The Supreme Court has reviewed process patents reciting algorithms or abstract concepts in claims directed to industrial processes. In that context, the Supreme Court has held that a claim reciting an algorithm or abstract idea can state statutory subject matter only if, as employed in the process, it is embodied in, operates on, transforms, or otherwise involves another class of statutory subject matter, i.e., a machine, manufacture, or composition of matter. 35 U.S.C. § 101. As the PTO notes, "[t]he Supreme Court has recognized only two instances in which such a method may qualify as a *section 101* process: when the process 'either [1] was tied to a particular apparatus or [2] operated to change materials to a 'different state or thing.'"" See PTO Supp. Br. 4 (quoting *Flook*, U.S. at 588 n.9). In *Diehr*, the Supreme [*1377] Court confirmed that a process claim reciting an algorithm could state

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statutory subject matter if it: (1) is tied to a machine or (2) creates or involves a composition of matter or manufacture." In the instant, the claims appear to be using funds from one sale to fund another sale which is not employed in a process, embodied in, operates on, transforms, or otherwise involves another class of statutory subject matter.

Claim Rejections - 35 USC § 102

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

Claims 1 and 34 are rejected under 35 U.S.C. 102(b) as being anticipated by Chittenden (US 2002/0169708).

Chittendon discloses a method of raising funds, comprising: offering, by an entity, a first set of debt obligations; offering a second set of debt obligations by at least one of the entity and a second entity created for the purpose of offering the second set of debt obligations; and purchasing assets with proceeds from the offering of the second set of debt obligations, wherein holders of the first set of debt obligations have a security interest in the assets such that, in the event the entity defaults, the assets are liquidated to redeem the first set of debt obligations from the holders thereof (proceeds from the assets are paid as due to the holders of the first set of debt obligations) (see figure 1, para 0024, 0041, 0046).

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

This application currently names joint inventors. In considering patentability of the claims under 35 U.S.C. 103(a), the examiner presumes that the subject matter of the various claims was commonly owned at the time any inventions covered therein were made absent any evidence to the contrary. Applicant is advised of the obligation under 37 CFR 1.56 to point out the inventor and invention dates of each claim that was not commonly owned at the time a later invention was made in order for the examiner to consider the applicability of 35 U.S.C. 103(c) and potential 35 U.S.C. 102(e), (f) or (g) prior art under 35 U.S.C. 103(a).

Claims 2-5, 9-10, 12-14, 18-21, 35 are rejected under 35 U.S.C. 103(a) as being unpatentable over Chittenden (US 2002/0169708) as applied above and further in view of Barnett (US 2003/0050884).

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Chittendon discloses a method of raising funds, comprising: offering, by an entity, a first set of debt obligations; offering a second set of debt obligations by at least one of the entity and a second entity created for the purpose of offering the second set of debt obligations; and purchasing assets with proceeds from the offering of the second set of debt obligations, wherein holders of the first set of debt obligations have a security interest in the assets such that, in the event the entity defaults, the assets are liquidated to redeem the first set of debt obligations from the holders thereof but does not disclose the specifics of the interest earning and payment sequences as claimed.

Barnett discloses various debt instruments and their use including interest calculations.

It would have been obvious to one of ordinary skill in the art to include in the financial system of Chittenden the calculations and interest details as taught by Barnett since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable

Claims 6-8,11,15-17,36 are rejected under 35 U.S.C. 103(a) as being unpatentable over Chittenden (US 2002/0169708) as applied above and further in view of Daughtery, III (US 6263321).

Chittendon discloses a method of raising funds, comprising: offering, by an entity, a first set of debt obligations; offering a second set of debt obligations by at least one of the entity and a second entity created for the purpose of offering the second set of debt obligations; and purchasing assets with proceeds from the offering of the second set of debt obligations, wherein

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holders of the first set of debt obligations have a security interest in the assets such that, in the event the entity defaults, the assets are liquidated to redeem the first set of debt obligations from the holders thereof, as applied above, but does not disclose tax exempt variable rate demand obligations and taxable floating rate notes and fixed rate demand obligations.

Daughtery, III discloses various types of obligations and teaches the interchangeability and well known use in the financial instruments art (claim 4).

It would have been obvious to one of ordinary skill in the art to include in the financial system of Chittenden the tax exempt variable rate demand obligations and taxable floating rate notes and fixed rate demand obligations as taught by Daughtery, III since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

Examiner's Note

Examiner has cited particular columns and line numbers in the references as applied to the claims below for the convenience of the applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply as well. It is respectfully requested from the applicant, in preparing the responses, to fully consider the references in entirety as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the examiner.

Conclusion

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. Finnerty, Norton and Roberts disclose a method for restructuring debt obligations issued as bonds to evaluate cash flows and current value of bond and create serial issue of zero coupon bonds. Fujinuki et al. disclose an obligation settlement acceptance system. Golden et al. disclose a system for providing a loan market place. Tilton discloses a method of securitizing a portfolio of at least 30% distressed commercial loans.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Kelly Campen whose telephone number is (571)272-6740. The examiner can normally be reached on Monday-Thursday.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Alexander Kalinowski can be reached on (571) 272-6771. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Kelly Campen/

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